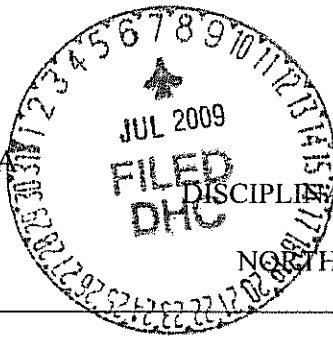


STATE OF NORTH CAROLINA
WAKE COUNTY



BEFORE THE
DISCIPLINARY HEARING COMMISSION
OF THE
NORTH CAROLINA STATE BAR
09 DHC 15

| | | |
|-------------------------------|---|-----------|
| THE NORTH CAROLINA STATE BAR, |) | |
| |) | |
| Plaintiff, |) | |
| |) | COMPLAINT |
| v. |) | |
| |) | |
| AMANDA R. DIXON, Attorney, |) | |
| |) | |
| Defendant. |) | |

Plaintiff, complaining of Defendant, alleges and says:

1. Plaintiff, the North Carolina State Bar, is a body duly organized under the laws of North Carolina and is the proper party to bring this proceeding under the authority granted it in Chapter 84 of the North Carolina General Statutes, and the Rules and Regulations of the North Carolina State Bar (Chapter 1 of Title 27 of the North Carolina Administrative Code).

2. Defendant, Amanda R. Dixon (hereinafter "Dixon" or "Defendant"), was admitted to the North Carolina State Bar in 1997, and is, and was at all times referred to herein, an Attorney at Law licensed to practice in North Carolina, subject to the rules, regulations and Rules of Professional Conduct of the North Carolina State Bar and the laws of the State of North Carolina.

3. During all or a portion of the relevant periods referred to herein, Dixon was actively engaged in the private practice of law in the city of Raleigh, Wake County, North Carolina.

Upon information and belief, Plaintiff alleges:

4. On March 28, 2003, Dixon served as the closing attorney for the real estate transaction involving property located at 6305 Pumpkin Seed Court, Raleigh, NC (hereinafter "Pumpkin Seed property"), between Adams Mark Property, the seller, and Azucena Johnson, the buyer.

5. As closing attorney, Dixon represented the buyer/borrower and the lender.

6. The lender for this transaction was First NLC Financial Services, LLC (hereinafter "First NLC").

7. The HUD-1 for the Pumpkin Seed property represented the following:

- a. the contract sale price was \$188,000.00;
 - b. First NLC made two loans to the buyer totaling \$188,137.71;
 - c. the buyer brought \$454.22 to the closing; and
 - d. \$54,067.88 was disbursed to the seller in net sales proceeds.
8. The HUD-1 was false in that the buyer brought no money to the closing.
9. The HUD-1 was false in that Dixon did not disburse \$54,067.88 to the seller, but instead disbursed \$14,457.33 of the loan proceeds to a third party and only \$39,582.45 to the seller.
10. Dixon, as closing attorney, was responsible for ensuring the HUD-1 accurately recited the receipt and disbursement of funds in the transaction.
11. Dixon knew the HUD-1 was false regarding the buyer's cash contribution to the transaction and the disbursement of the proceeds.
12. Dixon did not notify the lender that the HUD-1 was false regarding the disbursement of the loan proceeds and the buyer's cash contribution to the transaction.
13. The lender's closing instructions required Defendant to provide preliminary HUDs to the lender for closing approval.
14. By disbursing funds in a manner not reflected on the HUD-1, Dixon closed the transaction in contravention of the lender's closing instructions.
15. On July 10, 2003, Dixon served as the closing attorney for the real estate transaction involving property located at 2924 Oak Bridge Drive, Raleigh, NC (hereinafter "Oak Bridge property"), between Daryl E. Ward, the seller, and Alice James, the buyer.
16. As closing attorney, Dixon represented the buyer/borrower and the lender.
17. The lender for this transaction was Long Beach Mortgage Company (hereinafter "Long Beach").
18. The HUD-1 for the Oak Bridge property represented the following:
 - a. the contract price was \$345,000.00;
 - b. Long Beach made two loans to the buyer totaling \$345,000.00;
 - c. the buyer brought \$2,503.26 to the closing; and
 - d. \$101,506.15 was disbursed to the seller in net sale proceeds.

19. The HUD-1 was false in that the buyer brought no money to the closing.

20. The HUD-1 was false in that Dixon did not disburse \$101,506.15 to the seller, but instead disbursed \$59,650.00 of the loan proceeds to a third party and only \$39,352.89 to the seller.

21. Dixon, as closing attorney, was responsible for ensuring the HUD-1 accurately recited the receipt and disbursement of funds in the transaction.

22. Dixon knew the HUD-1 was false regarding the disbursement of the loan proceeds and the buyer's cash contribution to the transaction.

23. Dixon did not notify the lender that the HUD-1 was false regarding the disbursement of the loan proceeds.

24. The lender's closing instructions required Defendant to obtain written approval from the lender prior to making any changes to the HUD-1.

25. By disbursing funds in a manner not reflected on the HUD-1, Dixon closed the transaction in contravention of the lender's closing instructions.

26. At the bottom of page 2 of each HUD-1 referenced above is printed the following:

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction.

The HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused or will cause the funds to be disbursed in accordance with this statement.

WARNING: It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine or imprisonment. For details go to: Title 18 U.S. Code Section 1001 and Section 1010.

27. Dixon signed this certification as closing attorney on each HUD-1.

28. By this certification Dixon falsely asserted to the lender that each HUD-1 was an accurate statement of the receipt and disbursement made by her in the transaction and falsely asserted she caused disbursement to be made in accordance with each HUD-1.

29. By closing transactions and disbursing funds in a manner not reflected on each HUD-1, Dixon misrepresented the transaction to the lenders.

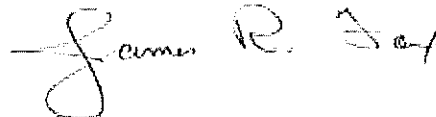
THEREFORE, Plaintiff alleges that Defendant's foregoing conduct constitutes grounds for discipline pursuant to N.C. Gen. Stat. § 84-28(b) in that Defendant violated the Rules of Professional Conduct in effect at the time of his action as follows:

- a. By falsely asserting to the lenders in the Pumpkin Seed and Oak Bridge transactions that the HUD-1 was an accurate statement of the receipt and disbursement of funds, Dixon engaged in conduct involving dishonesty, fraud, deceit and misrepresentation in violation of Rule 8.4(c);
- b. By falsely asserting to the lenders in the Pumpkin Seed and Oak Bridge transactions that the HUD-1 was an accurate statement of the receipt and disbursement of funds, Dixon intentionally prejudiced or damaged her client during the course of the professional relationship in violation of Rule 8.4(g); and
- c. By closing these loans in contravention of the lenders' closing instructions and not advising the lenders of changes to each approved HUD-1, Dixon engaged in conduct in violation of Rule 1.4(a) and (b).

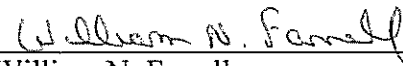
WHEREFORE, Plaintiff, the North Carolina State Bar, prays that:

1. Disciplinary action be taken against Defendant in accordance with N.C. Gen. Stat. § 84-28(a) and 27 N.C.A.C. 1B § .0114 as the evidence may warrant;
2. Defendant be taxed with the costs permitted by law in connection with the proceeding; and
3. For such other and further relief as is appropriate.

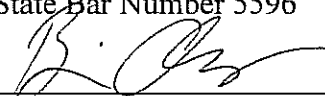
This the 7 day of July, 2009.



James R. Fox, Chair
Grievance Committee



William N. Farrell
Deputy Counsel
State Bar Number 5596



Brian P.D. Oten
Deputy Counsel
State Bar Number 34140
North Carolina State Bar
P.O. Box 25908
Raleigh, N.C. 27611